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BEFORE THE ARIZONA CORPORATION (

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COMMISSIONERS

DOUG LITTLE – Chairman BOB STUMP BOB BURNS TOM FORESE ANDY TOBIN Arizona Corporation Commission

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IN THE MATTER OF THE APPLICATION OF ARIZONA WINDSONG WATER COMPANY TO TRANSFER ITS UTILITY ASSETS TO THE NAVAJO TRIBAL UTILITIES AUTHORITY.

DOCKET NO. W-20919A-16-0068

PROCEDURAL ORDER

BY THE COMMISSION:

On February 24, 2016, Arizona Windsong Water Company ("Arizona Windsong" or "Company") filed with the Arizona Corporation Commission ("Commission") an application to transfer its utility assets to the Navajo Tribal Utilities Authority ("NTUA"). According to the application, the proposed transfer is in the public interest because Arizona Windsong's water supply is contaminated with uranium and NTUA has access to uncontaminated water. Arizona Windsong requests that the Commission approve the application in an expedited manner.

On March 2, 2016, the Commission's Utilities Division Staff ("Staff") filed a Request for a Telephonic Procedural Conference.

On March 2, 2016, a Procedural Order was issued scheduling a procedural conference to commence on March 4, 2016.

On March 4, 2016, the procedural conference was held, as scheduled, with Arizona Windsong and Staff appearing through counsel, and Mr. Rex Kontz appearing on behalf of NTUA.¹ At that time, a discussion occurred regarding the processing of the application and the parties agreed to a schedule that would have a Staff Report issued on March 18, 2016, and a hearing on March 21, 2016.

IT IS THEREFORE ORDERED that a hearing on the application shall commence on March 21, 2016, at 10:00 a.m., or as soon thereafter as is practical, at the Commission's offices, 1200 West Washington Street, Hearing Room No. 1, Phoenix, Arizona.

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¹ Mr. Kontz is the Deputy General Manager for NTUA.

IT IS FURTHER ORDERED that witnesses testifying on behalf of Arizona Windsong Water Company and Navajo Tribal Utilities Authority may attend the hearing telephonically by calling: 1-800-689-9374, passcode 415962#.

IT IS FURTHER ORDERED that Staff shall file its Staff Report in this matter on or before March 18, 2016.

IT IS FURTHER ORDERED that any comments in response to the Staff Report shall be provided at the hearing on March 21, 2016.

IT IS FURTHER ORDERED that **Staff shall provide public notice of the hearing** in this matter in the following form and style:

PUBLIC NOTICE OF THE HEARING ON THE APPLICATION OF ARIZONA WINDSONG WATER COMPANY TO TRANSFER ITS ASSETS TO THE NAVAJO TRIBAL UTILITIES AUTHORITY (DOCKET NO. W-20919A-16-0068)

On February 24, 2016, Arizona Windsong Water Company ("Arizona Windsong" or "Applicant") filed with the Arizona Corporation Commission ("ACC" or "Commission") an application for approval of the sale and transfer of Arizona Windsong's assets to the Navajo Tribal Utilities Authority ("NTUA"). If the application is granted, NTUA will be the water provider to the previously certificated area of Arizona Windsong and customers will be billed for water service under the rates and charges of NTUA. NTUA is requesting a one-time fee of \$500.00 per customer to connect to its system, with that amount payable over 1 or 2 years.

The Commission's Utilities Division ("Staff") is in the process of evaluating the application, and will file its recommendation in this matter by March 18, 2016. The Commission is not bound by the proposals made by the Applicant, Staff, or possible intervenors.

The Commission will conduct a hearing on this matter on March 21, 2016, commencing at 10:00 a.m., at the Commission's Phoenix offices, Hearing Room No. 1, 1200 West Washington, Phoenix, Arizona 85007. Public comments will be taken at the start of the hearing. Written public comments may be submitted by mailing a letter referencing Docket No. W-20919A-16-0068 to: Arizona Corporation Commission, Consumer Services Section, 1200 West Washington Street, Phoenix, Arizona 85007, or by submitting comments on the Commission's website (www.azcc.gov) using the "Submit a Public Comment" link. If you require assistance you may contact the Consumer Services Section at 1-800-222-7000 or 602-542-4251.

The application and Staff's recommendations are available for inspection during regular business hours at the offices of the Commission, 1200 West Washington Street, Phoenix, Arizona. The application is also available on the Commission's website, www.azcc.gov, using the e-Docket link.

The law provides for an open public hearing at which, under appropriate circumstances, interested persons may intervene in the proceedings and participate as

a party. Persons desiring to intervene must file a written motion to intervene with the Commission and send such motion to Applicant or its counsel and to all parties of record. The motion must, at the minimum, contain the following:

- 1. The name, address, and telephone number of the proposed intervenor and of any party upon whom service of documents is to be made if different from that of the intervenor.
- 2. A short statement of the proposed intervenor's interest in the proceeding (e.g., a customer or potential customer of the Applicant, a member or shareholder of the Applicant, etc.).
- 3. A statement certifying that a copy of the motion to intervene has been mailed to the Applicant or its counsel and to all parties of record in the case.

The granting of motions to intervene shall be governed by A.A.C. R14-3-105, except that all motions to intervene must be filed on or before March 16, 2016. If representation by counsel is required by Arizona Supreme Court Rule 31, intervention will be conditioned upon the intervenor obtaining counsel to represent the intervenor. For information about requesting intervention, visit the Arizona Corporation Commission's webpage at http://www.azcc.gov. The granting of intervention, among other things, entitles a party to present sworn evidence at hearing and to cross-examine other witnesses. However, failure to intervene will not preclude any customer from appearing at a hearing and making a statement on such customer's own behalf.

The Commission does not discriminate on the basis of disability in admission to its public meetings. Persons with a disability may request a reasonable accommodation such as a sign language interpreter, as well as request this document in an alternative format, by contacting Shaylin Bernal, ADA Coordinator, voice phone number 602-542-3931, E-mail: SABernal@azcc.gov. Requests should be made as early as possible to allow time to arrange the accommodation.

IT IS FURTHER ORDERED that Staff shall mail by first-class U.S. Mail, to each customer a copy of this notice to begin as soon as possible, and to be completed on or before March 7, 2016.

IT IS FURTHER ORDERED that Staff shall file a certification of mailing of the above notice as soon as practical after mailing is complete.

IT IS FURTHER ORDERED that notice shall be deemed complete upon mailing, notwithstanding the failure of an individual customer to read or receive the notice.

IT IS FURTHER ORDERED that intervention shall be in accordance with A.A.C. R14-3-105, except that all motions to intervene must be filed on or before March 16, 2016.

IT IS FURTHER ORDERED that the Ex Parte Rule (A.A.C. R14-3-113-Unauthorized Communications) applies to this proceeding as this matter has now been set for hearing.

IT IS FURTHER ORDERED that all parties must comply with Arizona Supreme Court Rules

31, 38, and 42 and A.R.S. § 40-243 with respect to practice of law and admission pro hac vice.

IT IS FURTHER ORDERED that withdrawal of representation must be made in compliance with A.A.C. R14-3-104(E) and Rule 1.16 of the Rules of Professional Conduct (under Arizona Supreme Court Rule 42). Representation before the Commission includes the obligation to appear at all hearings and procedural conferences, as well as all Open Meetings for which the matter is scheduled for discussion, unless counsel has previously been granted permission to withdraw by the Administrative Law Judge or the Commission.

IT IS FURTHER ORDERED that, as permitted under A.A.C. R14-3-107(B), each party to this matter may opt to receive service of all filings in this docket, including all filings by parties and all Procedural Orders and Recommended Opinions and Orders/Recommended Orders issued by the Commission's Hearing Division, via email sent to an email address provided by the party rather than via U.S. Mail. To exercise this option, a party shall:

- 1. Ensure that the party has a valid and active email address to which the party has regular and reliable access ("designated email address");
- 2. Complete a Consent to Email Service using the form available on the Commission's website (www.azcc.gov) or a substantially similar format;
- 3. File the original and 13 copies of the Consent to Email Service with the Commission's Docket Control, also providing service to each party to the service list;
- 4. Send an email, containing the party's name and the docket number for this matter, to HearingDivisionServicebyEmail@azcc.gov from the designated email address, to allow the Hearing Division to verify the validity of the designated email address;
- 5. Understand and agree that service of a document on the party shall be complete upon the sending of an email containing the document to the designated email address, regardless of whether the party receives or reads the email containing the document; and
- 6. Understand and agree that the party will no longer receive service of filings in this matter through First Class U.S. Mail or any other form of hard-copy delivery, unless and until the party withdraws this consent through a filing made in this docket.

1 IT IS FURTHER ORDERED that a party's consent to email service shall not become effective 2 until a Procedural Order is issued approving the use of email service for the party. The Procedural 3 Order shall be issued only after the party has completed steps 1 through 4 above, and the Hearing 4 Division has verified receipt of an email from the party's designated email address. 5 IT IS FURTHER ORDERED that a party's election to receive service of all filings in this matter 6 via email does not change the requirement that all filings with the Commission's Docket Control must 7 be made in hard copy and must include an original and 13 copies. 8 IT IS FURTHER ORDERED that a party's election to receive service of all filings in this matter 9 via email does not change the requirement that all filings with the Commission's Docket Control must 10 be made in hard copy and must include an original and 13 copies. 11 IT IS FURTHER ORDERED that the presiding Administrative Law Judge may rescind, alter, amend, or waive any portion of this Procedural Order either by subsequent Procedural Order or by 12 13 ruling at hearing. day of March, 2016. 14 15 SCOTT M. HESLA 16 ADMINISTRATIVE LAW JUDGE 17 Copies of the foregoing mailed/emailed/delivered this 4th day of March, 2016, to: 18 Thomas Broderick, Director Timothy J. Sabo 19 SNELL & WILMER, LLP Utilities Division One Arizona Center ARIZONA CORPORATION COMMISSION 20 400 East Van Buren Street, Suite 1900 1200 W. Washington Street Phoenix, Arizona 85007 Phoenix, AZ 85004 21 tsabo@swlaw.com COASH & COASH, INC. Arizona Windsong Attorney for Water Court Reporting, Video & Videoconferencing 1802 North 7th Street 22 Company Phoenix, AZ 85006 23 Janice Alward, Chief Counsel Legal Division Rex P. Kontz 24 ARIZONA CORPORATION COMMISSION Deputy General Manager 1200 W. Washington Street NAVAJO TRIBAL UTILITIES AUTHORITY 25 Phoenix, Arizona 85007 rpkontz@ntua.com 26 27 By:

Assistant to Scott M. Hesla

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